

## COUNCIL COMMUNICATION

TO: THE CITY COUNCIL

FROM: THE CITY MANAGER'S OFFICE

COUNCIL MEETING DATE: JANUARY 16, 1991

SUBJECT: PURCHASE OF 70-FOOT AERIAL LINE TRUCK (ADDITIONAL FUNDING)

RECOMMENDED ACTION: That the City Council approve the additional expenditure of \$23,685.48 for the purchase of a 70-foot aerial line truck from TECO, Inc., Fort Wayne, Indiana.

BACKGROUND INFORMATION: At the meeting of December 19, 1990, the City Council approved the purchase of a 70-foot aerial line truck. This unit was being offered to the City at the very favorable price of \$91,996.56.

Subsequent to this action, the supplier discovered that a clerical error amounting to \$29,700 (deficiency), excluding taxes, had occurred in the price quote. The supplier also indicated that the purchase order, as issued by the City, could not be honored.

Following negotiations with the supplier, the unit is now being offered at the modified price of \$115,682.04 or at an increase of \$23,685.48 including taxes. For comparison, the 'correct' quoted price would be \$123,262.10.

This purchase, even at the modified price, remains advantageous to the City, thus the above recommendation. The modified purchase price (\$115,682.04) is well within the \$128,814 appropriated in the Department's budget for this acquisition.

The City has been advised by other potential suppliers of this type of equipment that bids would probably be in the \$130,000 - \$135,000 range. Thus, acquisition in this manner will still save the City between \$14,300 and \$19,300.

Henry J. Rice  
Electric Utility Director

cc: Assist Electric Utility Director  
Purchasing Officer

CCTRUCK/CO.COM

RESOLUTION NO. 91-10

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A RESOLUTION OF THE LODI CITY COUNCIL  
APPROVING ADDITIONAL EXPENDITURE FOR 70-FOOT AERIAL LINE TRUCK FOR THE  
ELECTRIC UTILITY DEPARTMENT

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WHEREAS, the Lodi City Council at its December 19, 1990 regular meeting approved the purchase of one 70-foot aerial line truck from TECO of Indiana for the Electric Utility Department, in the amount of \$91,996.56; and

WHEREAS, subsequent to this action, the supplier discovered that a clerical error had occurred in its price quote amounting to a deficiency of \$29,700, and has negotiated with the City to increase the City's expenditure by \$23,685.48 to partially cover the clerical error;

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the additional expenditure of \$23,685.48 towards the purchase of the 70-foot aerial line truck from TECO, Inc.

Dated: January 16, 1991

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I hereby certify that Resolution No. 91-10 was passed and adopted by the Lodi City Council in a regular meeting held January 16, 1991 by the following vote:

Ayes: Council Members - Pennino, Pinkerton, Sieglock, Snider  
and Hinchman (Mayor)

Noes: Council Members - None

Absent: Council Members - None

*Alice M. Reimche*  
Alice M. Reimche  
City Clerk

91-10

RES9110/TXTA.02J